

Hearing Date: November 7, 2018 at 9:30 a.m. (AST)  
Objection Deadline: August 6, 2018 at 4:00 p.m. (AST)

**UNITED STATES DISTRICT COURT  
DISTRICT OF PUERTO RICO**

In re:

THE FINANCIAL OVERSIGHT AND  
MANAGEMENT BOARD FOR PUERTO  
RICO,

as representative of

THE COMMONWEALTH OF PUERTO  
RICO, et al.,

Debtors.

PROMESA

Title III

No. 17-bk-3283-LTS

(Jointly Administered)

**NOTICE OF PENSION TRUSTEE ADVISORS, INC.'S THIRD INTERIM  
APPLICATION FOR ALLOWANCE OF COMPENSATION FOR SERVICES  
RENDERED AS PENSION CONSULTANT TO THE FINANCIAL OVERSIGHT  
AND MANAGEMENT BOARD FOR PUERTO RICO, AS REPRESENTATIVE  
OF THE DEBTORS, FROM FEBRUARY 1, 2018-MAY 31, 2018**

PLEASE TAKE NOTICE that a hearing will be held before the Honorable Laura Taylor Swain in Room 3 of the United States District Court for the District of Puerto Rico, Federal Building, Office 150, 150 Carlos Chardón Street, San Juan, Puerto Rico 00918-1767, on November 7, 2018 at 9:30 a.m. (AST), or as soon thereafter as counsel may be heard, or at an earlier date as ordered by the Court, to consider Pension Trustee Advisors, Inc.'s third interim application for allowance of compensation for services rendered from February 1, 2018-May 31, 2018, in the amount of \$29,596.50, pursuant to PROMESA sections 316-17, Rule 2016, and Local Rule 2016-1.

PLEASE TAKE FURTHER NOTICE that objections, if any, to the application by any party other than the fee examiner must be filed and served, so as to be received by August 6, 2018 at 4:00 p.m. (AST).

Dated: July 16, 2018

Respectfully submitted,

/s/ William Forna  
William Forna  
Pension Trustee Advisors, Inc.

*Pension Consultant to Financial Oversight  
and Management Board*

By: /s/ Jeffrey Chubak  
Jeffrey Chubak  
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**UNITED STATES DISTRICT COURT  
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**SUMMARY SHEET**

**PENSION TRUSTEE ADVISORS, INC.'S THIRD INTERIM  
APPLICATION FOR ALLOWANCE OF COMPENSATION FOR SERVICES  
RENDERED AS PENSION CONSULTANT TO THE FINANCIAL OVERSIGHT  
AND MANAGEMENT BOARD FOR PUERTO RICO, AS REPRESENTATIVE  
OF THE DEBTORS, FROM FEBRUARY 1, 2018-MAY 31, 2018**

Applicant:	Pension Trustee Advisors, Inc.
Authorized to provide services to:	The Financial Oversight and Management Board for Puerto Rico
Effective date of retention:	July 29, 2017
Compensation period:	February 1, 2018-May 31, 2018
Compensation sought:	\$29,596.50
Expense reimbursement sought:	\$0
Total sought:	\$29,596.50

This is a: ☐ monthly ☒ interim ☐ final application

**SUMMARY OF TIME BILLED DURING COMPENSATION PERIOD**

Name	Title	Hours Billed	Hourly Rate	Total Fees
William Fornia	President	6.5	\$465	\$3,022.50
		51.6	\$515	\$26,574

**UNITED STATES DISTRICT COURT  
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THE COMMONWEALTH OF PUERTO  
RICO, et al.,

Debtors.<sup>1</sup>

PROMESA

Title III

No. 17-bk-3283-LTS

(Jointly Administered)

**PENSION TRUSTEE ADVISORS, INC.'S THIRD INTERIM  
APPLICATION FOR ALLOWANCE OF COMPENSATION FOR SERVICES  
RENDERED AS PENSION CONSULTANT TO THE FINANCIAL OVERSIGHT  
AND MANAGEMENT BOARD FOR PUERTO RICO, AS REPRESENTATIVE  
OF THE DEBTORS, FROM FEBRUARY 1, 2018-MAY 31, 2018**

Pension Trustee Advisors, Inc. ("PTA"), pension consultant to the Financial Oversight and Management Board for Puerto Rico ("Oversight Board"), as representative of the Debtors pursuant to PROMESA section 315(b), submits its third interim application for allowance of compensation for services rendered from February 1, 2018-May 31, 2018 ("Compensation Period") in the amount of \$29,596.50, pursuant to PROMESA sections 316-17, Rule 2016, and Local Rule 2016-1, and respectfully states:

**JURISDICTION**

1. This Court has subject matter jurisdiction to consider this application, pursuant to PROMESA section 306(a). Venue is proper in this district, pursuant to PROMESA section 307(a).

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<sup>1</sup> The Debtors in these Title III Cases, along with the last four digits of their respective Federal Tax ID numbers, are: (i) Commonwealth of Puerto Rico ("Commonwealth") (3481); (ii) Puerto Rico Sales Tax Financing Corporation ("COFINA") (8474); (iii) Puerto Rico Highways and Transportation Authority ("HTA") (3808); (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico ("ERS") (9686); and (v) Puerto Rico Electric Power Authority ("PREPA") (3747).

## **BACKGROUND**

2. The Commonwealth commenced its Title III case on May 3, 2017; COFINA commenced its Title III case on May 5, 2017; HTA and ERS commenced their Title III cases on May 21, 2017; and PREPA commenced its Title III case on July 2, 2017. Pursuant to PROMESA section 315(b), the Oversight Board is the representative of each Debtor in its respective Title III case.

3. The Oversight Board engaged PTA to provide pension consulting services in these Title III cases by Agreement, effective July 29, 2017, approving its employment on an hourly basis. A copy of that agreement was filed with PTA's first interim fee application [ECF No. 2754-2].

4. Prior to forming PTA in 2010, its principal, William Fornia, had over thirty years of consulting and actuarial experience, primarily in the areas of retiree pension and healthcare benefits. Mr. Fornia led Aon Consulting's public sector pension actuarial consulting practice from 2006 to 2010, and before that managed the Denver Retirement Practice of Buck Consultants and opened the Denver office of Gabriel, Roeder, Smith & Co. His prior positions also include serving as corporate actuary for Boeing and consultant for numerous multinational corporations in Brazil and Argentina during his ten years at Towers Perrin.

5. Mr. Fornia is a Fellow of the Society of Actuaries, Enrolled Actuary, Member of the American Academy of Actuaries, and Fellow of the Conference of Consulting Actuaries. He currently serves on the steering committee of the Conference of Consulting Actuaries Public Plans Community, and is on the faculty of the Society of Actuaries Fellowship Admissions Course. He is a frequent speaker at organizations such as the National Association of State Retirement Administrators, the National Council on Teacher Retirement, the National Association of Public Pension Attorneys, the National Conference on Public Employee Retirement Systems, the Pension

Research Council, the Conference of Consulting Actuaries, the Western Pension and Benefits Conference, the International Foundation of Employee Benefit Plans, The Conference Board, the Government Finance Officers Association, and the Brazilian Association of Pension Plans.

6. PTA filed its first interim fee application, covering the compensation period July 29, 2017-September 30, 2017, on February 22, 2018 [ECF No. 2574]. The order on that application was entered on March 7, 2018 [ECF No. 2685].

7. PTA filed its second interim fee application, covering the period October 1, 2017-January 31, 2018, on March 16, 2018 [ECF No. 2719]. The order on that application was entered on June 8, 2018 [ECF No. 3279].

8. PTA served monthly fee statements for each month included in the Compensation Period, pursuant to the Interim Compensation Order (defined below). As of the date hereof, PTA has been paid 90% of fees incurred and 100% of expenses for the period ending February 28, 2018.

#### **BASIS FOR RELIEF REQUESTED**

9. PROMESA section 316(a)(1) provides that this Court “may award to a professional person employed by ... the Oversight Board (in the Oversight Board’s sole discretion) ... reasonable compensation for actual, necessary services rendered by the professional, or attorney and by any paraprofessional employed by any such person.”

10. Pursuant to subdivision (c):

In determining the amount of reasonable compensation to be awarded to a professional person, the court shall consider the nature, the extent, and the value of such services, taking into account all relevant factors, including—

- (1) the time spent on such services;
- (2) the rates charged for such services;

(3) whether the services were necessary to the administration of, or beneficial at the time at which the service was rendered toward the completion of, a case under this chapter;

(4) whether the services were performed within a reasonable amount of time commensurate with the complexity, importance, and nature of the problem, issue, or task addressed;

(5) with respect to a professional person, whether the person is board certified or otherwise has demonstrated skill and experience in the restructuring field; and

(6) whether the compensation is reasonable based on the customary compensation charged by comparably skilled practitioners in cases other than cases under this title or title 11, United States Code.

11. PROMESA section 317 and the Second Amended Interim Compensation Order, entered June 6, 2018 [ECF No. 3269] (“Interim Compensation Order”) permit professionals to apply for allowance of compensation and reimbursement of expenses on an interim basis.

12. Each factor set forth in section 316(c) supports allowance of the compensation sought herein on an interim basis.

(a) Time spent on services rendered. During the Compensation Period, PTA expended 58.1 hours in connection with services rendered advising the Oversight Board. Time detail for the Compensation Period is annexed hereto as Exhibit 1.

(b) Rates charged. As set forth in the Fornia Certification (defined below), the rates charged for services rendered herein are at or below those charged to PTA’s other clients.

(c) Whether Services were necessary or beneficial. The services rendered were necessary to the administration of these Title III cases, and beneficial when rendered. The Oversight Board hired PTA for the purpose of providing these services and has approved this application.

(d) Timeliness of services rendered. The services rendered were performed within a reasonable amount of time, given their complexity and importance to these Title III cases.

(e) Professional certifications; Restructuring Experience. As noted above, Mr. Forna is a Fellow of the Society of Actuaries, Enrolled Actuary, Member of the American Academy of Actuaries, and Fellow of the Conference of Consulting Actuaries. He has significant restructuring experience, having provided advisory services similar to those for which PTA was engaged herein in Detroit's and Stockton's chapter 9 bankruptcy cases.

13. PTA does not seek reimbursement for expenses incurred during the Compensation Period.

14. The certification required by Local Rule 2016-1(a)(4) and Rule 2016 is annexed hereto as Exhibit 2 ("Forna Certification").

WHEREFORE, PTA requests an order allowing interim compensation for professional services rendered during the Compensation Period in the amount of \$29,596.50, directing payment of the foregoing amounts, less that portion already paid under the Interim Compensation Order, and granting such other and further relief as this Court deems just and proper.

Dated: July 16, 2018

Respectfully submitted,

/s/ William Forna  
William Forna  
Pension Trustee Advisors, Inc.

*Pension Consultant to Financial Oversight  
and Management Board*

By: /s/ Jeffrey Chubak  
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